

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
Civil No.12-CV-01231 (MJD/JJG)

CitiBank, N.A., as Trustee for the Holders)	
of Structured Asset Mortgage Investments II)	
Inc., Bear Stearns ALT-A Trust, Mortgage)	
Pass-Through Certificates Series 2006-4,)	
)	
)	
Plaintiff,)	
)	
v.)	ANSWER OF THE
)	DEFENDANT UNITED
Russell E. Willits, First Commercial Bank,)	STATES OF AMERICA
Inc., Discover Bank, FIA Card Services,)	INTERNAL REVENUE
N.A., Ann Strommen, Scott Strommen,)	SERVICE
State of Minnesota Department of Revenue,)	
and the United States of America Internal)	
Revenue Service,)	
)	
Defendants.)	

Now comes the defendant United States of America Internal Revenue Service (hereinafter "United States") by and through its attorneys B. Todd Jones, United States Attorney for the District of Minnesota and Roylene A. Champeaux, Assistant United States Attorney and for its Answer denies all allegations in the Complaint except as specifically admitted herein.

1. The United States has insufficient knowledge or information to admit or deny the allegations contained in paragraphs 1, 2, 3, 4, 5 and 6 of the Complaint and accordingly puts plaintiff to its strict proof.

2. In answering the allegations contained in paragraph 7 of the complaint the United States affirmatively asserts that the Internal Revenue Service (hereinafter "IRS") is a part of the U.S. Department of Treasury but denies that the IRS is an agency. The United States admits the IRS operates under the laws of the United States.

3. The United States has insufficient knowledge or information to admit or deny the allegations contained in paragraphs 8, 9, 10, 11.a., 11.b., 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 of the Complaint and accordingly puts plaintiff to its strict proof.

4. In answering the allegations contained in paragraph 25 of the Complaint, the United States admits that the IRS claims an interest in the subject property pursuant to a federal tax lien. The United States admits and affirmatively asserts that the Internal Revenue Service filed a federal tax lien with an unpaid balance amount of \$39,304.20 with the Hennepin County Recorder, State of Minnesota, against Russell Willits as follows:

TAX PERIOD	DATE TAX ASSESSED	DATE RECORDED	DOCUMENT NUMBER	UNPAID BALANCE AS OF 5/28/2012
12/31/2005	02/08/2010	07/21/2010	A9538395	\$33,907.85

Said federal tax lien will continue to accrue interest and penalties as provided by Title 26, United States Code, Section 6601 and Section 6651(a)(2).

Additionally the United States affirmatively asserts that the federal tax lien interest filed against Russell Willits as document number A9538395 is junior to the mortgage lien of defendant First Commercial Bank, Inc. and senior to plaintiff's mortgage lien interest.

5. The United States asserts that paragraph 26 of the Complaint constitutes plaintiff's prayer for relief to which no response is required. However, if a response is required, the United States denies the allegations involving the IRS. As to the allegations directed to the other defendants the United States has insufficient knowledge or information to admit or deny and accordingly puts plaintiff to its strict proof.

6. The United States has insufficient knowledge or information to admit or deny the allegations contained in paragraph 27 of the Complaint and accordingly puts plaintiff to its strict proof.

DEFENSES

1. The plaintiff has failed to state a claim with respect to the United States for which relief can be granted.

2. The United States has not waived its sovereign immunity, therefore, this Court only has jurisdiction as provided pursuant to 28 U.S.C. § 2410.

3. The United States objects to the release of any lien of the United States.

WHEREFORE, the United States of America Internal Revenue Service prays for the following relief:

1. The Court recognize the federal tax lien filed with the Hennepin County Recorder, State of Minnesota against Russell Willits as document number A9538395 as a good, valid and subsisting lien against the subject real property identified in the Complaint;

2. The Court recognize and protect the federal tax lien of the United States of America as being prior and superior to some or all of any right, interest, or lien claimed by plaintiff in the subject real estate;

3. The Court deny plaintiff's request for an order reforming the COR, document no. 8950290, *nunc pro tunc*, releasing mortgage document no. 8797326 and reinstating document no. 8797325; and

4. The United States of America be granted such further relief as this Court deems just and proper.

Dated: May 24, 2012

Respectfully submitted,

B. TODD JONES
United States Attorney

s/ Roylene A. Champeaux

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